

HIT Policy Committee
Information Exchange Workgroup
Prepared Remarks – Casey Kozlowski, Manager, eHealth, Walgreen Co.
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Walgreens has been a key player in electronic prescribing since the early 1990's, when we rolled out one of the first electronic prescribing applications in the industry, Pre-Scribe. Unfortunately, Pre-Scribe only worked for Walgreens pharmacies and patients, so adoption and utilization by prescribers was less than optimal. But it did prove that electronic prescribing was possible and paved the way for the future of eHealth.

In 2001, Walgreens was instrumental in forming SureScripts, along with the National Association of Chain Drug Stores (NACDS), and its other chain pharmacy members, and the National Community Pharmacists Association (NCPA), which represents independent pharmacies. The goal of Surescripts was to provide pharmacies with a single, secure point of connection for e-prescribing to physicians. Originally, that role was only in sending and receiving electronic prescriptions and refill requests, but now includes other services such as PBM and Rx History messaging, and this list will likely grow even more in the next few years as new message types, such as Electronic Prior Authorization, Clinical Care messaging, ChangeRx which allows the pharmacy to send a message to the doctor regarding a prescription, and CancelRx, which allows the doctor to cancel or discontinue therapy, are developed.

Today, Walgreen's pharmacies fill more than 5 million electronic prescriptions each month, making us the industry leader. Over 23% of eligible prescriptions are sent to us electronically, which is phenomenal, considering a year ago this number was closer to 10%. In 2009, 44 million eRxs were filled by Walgreens' pharmacists, and we expect to almost double that number in 2010. Federal incentives and mandates are only helping push the needle with providers, and it is my opinion that 2010 is going to be another record year for electronic prescribing.

As mentioned previously, Walgreens also participates in Surescripts retail electronic medication history service, where physicians can access a full pharmacy medication history profile to be used for more informed prescribing or in a hospital setting for medication reconciliation. Pharmacy data tends to be more robust than PBM data, as it includes non-covered drugs, as well as those that were filled via worker's compensation or drug manufacturer "coupons." Pharmacy data also contains the directions for use, a field missing from PBM data, and only contains Rxs that were

actually picked up by the patient, giving the doctor a more accurate view regarding compliance and replacing the need for RxFill, which pharmacy has been slow to adopt and to which physician demand has not been great.

Electronic prescriptions have many benefits to pharmacies, physicians and patients. I probably don't need to tell you that electronic prescriptions are safer by providing the physician with more information such as drug interactions, allergies, etc at the point of prescribing, or that pharmacies like electronic prescriptions because they are legible and complete. Or that patients like electronic prescriptions because it saves them time and an extra trip to the pharmacy.

But pharmacies also like electronic prescriptions because they are "cleaner" than paper scripts. By "clean", we mean an Rx with fewer issues, such as Third Party Rejects or Drug Interactions, being sent to the pharmacy. Since the physician has access to medication history and insurance formulary/benefit information, they are better able to make an informed prescribing decision, which leads to fewer issues down the road.

Patient Compliance is one of the not-so-obvious benefits of electronic prescribing. It's been estimated that 20-50% of Rxs never even make it to the pharmacy. These Rxs are in the bottom of purses or kitchen drawers somewhere doing the patient no good at all. We were part of a study that showed that once a practice gets eRx enabled, 11% more of their Rxs get filled. Which makes sense, because 100% of eRxs make it to the pharmacy. But, more importantly, these scripts were also picked up at the same rate as other Rxs, which bolsters patient compliance and therefore proper care.

As with anything, e-prescribing also has its challenges. The absence of RxNORM, which assigns a unique ID to each drug and allows for specific drug selection in the pharmacy's system, and codified SIG, which translates the Rx directions for use into a standardized format, means that pharmacy has more data entry to do, as both the drug and directions fields are currently free text. However, we still see substantial time savings vs paper prescriptions, making these standards more of a "nice to have" rather than a "must have" for pharmacy today.

And, as I am sure you are aware, we need to keep working with the DEA to remove the ban on controlled substances being sent electronically. More importantly, this needs to be done in a way that is workable and achievable at every point of care.

In conclusion, Walgreens looks forward to continuing to be an active participant in the adoption and utilization of electronic prescribing.

Thank you.